

# DPD

## Director's Rule 1-2007

<b>Applicant:</b>  City of Seattle Department of Planning and Development	<b>Page</b>  1 of 16	<b>Supersedes:</b>  1-2005, 1-2006
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<b>Index:</b>  Fee Ordinance – Procedural Requirements	<b>Approved</b>	<b>Date</b>
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The Fee Subtitle, Chapter 22.900 of the Seattle Municipal Code, prescribes fees for various permits, reviews and inspections. This rule provides clarification for the following sections of the Fee Subtitle.

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## **I. Rule 1-2005 Superseded**

### Rule

Director's Rule 1-2005, Implementation of the Fee Subtitle, is superseded by this rule.

## **II. Rule 1-2006 Superseded**

### Rule

Director's Rule 1-2006, Implementation of the Fee Subtitle, is superseded by this rule.

## **III. Refunds**

Applicants may request a refund of fees at any time before their application is cancelled or their permit expires.

The Director may notify applicants and permit holders that an application will be canceled or a permit will expire. In conjunction with this notice, the Director shall offer the applicant an opportunity to request a fee refund. If the request is not made within 30 days of the date of the notice, and if the application is cancelled or the permit expires, the applicant or owner will no longer be entitled to a refund.

Payment of a refund will result in cancellation of the application or permit. The amount to be refunded, if any, will be determined by the Director according to the Fee Subtitle.

## IV. Revisions of Applications

Section 22.900B.060 of the Fee Subtitle reads as follows:

Revisions and additions to applications.

- A. According to standards promulgated by the Director, the Department may assess an addition fee for the plan examination of previous designs when a subsequent redesign of a project is submitted prior to permit issuance. The revision fee shall be assessed at the hourly rate not to exceed the fee that would have been charged for the original design. The total fee is the fee for the final design plus the revision fee.
- B. The Department may assess a fee in addition to fees already charged for the original permit if the applicant makes an amendment to an existing unexpired or reestablished permit. The applicable fees will be assessed for all work necessary to process the amendment, including Seattle Transportation or Seattle Public Utilities review associate with the submitted amendment.

Section 900D.010 paragraph G of the Fee Subtitle reads as follows:

Revisions to Issued Permits

- G. Revisions to Issued Permits. Fees for revisions to issued permits shall be charged according to standards promulgated by the Director that approximate the additional cost of reviewing the revisions. A nonrefundable fee of one times the base fee shall be paid at the time the revision is submitted.

### Rule

The following guidelines shall apply to the assessment of plan revision fees.

#### **A. It is the policy of the Department:**

- To encourage design modification during the environmental review process to mitigate adverse impacts.
- To recover costs of time spent on the examination of plans which the applicant decides, independent of the Department's requirements, to substantially revise necessitating re-examination.
- To charge revision fees in a consistent manner where they are applicable.

#### **B. Definitions:**

- a) Major Revisions - Major revisions which may be subject to a revision fee include:
  - Substantial changes in the scale of the structure;
  - Substantial changes in the structural design, such as changing from wood frame to reinforced concrete;
  - Change in the type of construction;
  - Changes in occupancy that require extensive changes to the construction and life safety design of the structure;

- Moving the structure on the site, resulting in a totally new layout;
  - A totally new design.
- b) Minor Revisions - Revision which do not meet the above definition of Major Revisions.
- c) Standards
- Revision fees will be assessed differently depending on whether the plans have been completely approved (ready to issue or issue issued permits) or are still within the correction cycle.
  - The nonrefundable fee paid when revisions are submitted will be subtracted from the total amount owed calculated according to this Rule.
  - Revision fees will be determined according to the following table.

Revisions submitted:	Minor	Major
Before permit is approved for issuance	The permit fee based upon the development fee based on the value of the final design.	Hourly for time spent on previous designs, but no more than the estimated plan review fee for the highest valued of the previous designs  <u>Plus</u> The development fee based on the value of the final design
After approval, but before issuance	The greater of (1) the fee of the final design or (2) the fee for the original design plus the hourly fee for the time spent on the revision	Hourly for the plans examination time spent of the original design review  <u>Plus</u> The development fee based on the value of the final design.
After Issuance	The greater of (1) the fee of the final design or (2) the fee for the original design plus the hourly fee for the time spent on the revision.  No fee will be charged for minor revisions approved in the field that do not need formal plan revisions.	New Permit is required.

- d) Revision fees will not be assessed for change in direct response to correction requirements. However, if the scope of the changes far exceeds the requirement of the correction, a revision fee will be assessed.
- e) For Land Use review of a Master Use Permit application at an hourly rate, modification to building size, location or design during the review process will be charged at the same hourly rate. An additional revision fee for zoning review may be assessed at the hourly rate if the revision far exceeds the requirements of the correction.
- f) Major revisions, as defined above, may require a new permit or may require extensive rerouting. The Engineering Services or Applicant Services Center Manager(s) should be consulted to help in this determination.
- g) There will be no refund of the plans examination fee paid when major revisions occur after issuance of the permit.

## **V. Alterations and Repairs to Existing Buildings**

Section 22.900D.010 provides that alterations and repairs to existing buildings be charged on a valuation basis. This rule establishes a general basis for determining the value of the project where the value as specified by the applicant for the cost of alteration or repair work does not appear reasonably accurate.

### Rule

The fees for alteration and repairs to existing buildings shall be based on the value of construction as set forth in Section 22.900D.010. In general, the value specified by the applicant will be used to calculate the fee. However, if the value appears understated, the value shall be determined by using Table A below.

The Department shall determine the value of new construction which cannot be computed by the gross floor area, such as towers, retaining walls, foundations, repair of a beam or addition of a stair. This value shall be the full estimated cost of all labor and materials whether actually paid for or not, and may be based on the information submitted by the applicant.

Prior to the issuance of a permit, the applicant may submit evidence of the actual value of labor and materials, such as contracts, or bid documents, to the Department. The Department may rely on this evidence to determine the value of construction.

**Table A**

<b>Extent of Alteration</b>	<b>% of Building Valuation Data Figure (see (1) below)</b>	<b>Definition (see (2) below)</b>
Minor	20%	Cosmetic work - refinishing walls, ceilings, floors; minor mechanical, electrical, plumbing; only incidental structural work.
Medium	40%	Addition or removal of some walls or extensive construction of partitions; projects with more involved mechanical, electrical, plumbing work, such as residential additions or renovations of bathrooms and kitchens, commercial replacement of major HVAC components or of Ceiling grids; refinishing of many existing walls, ceilings, floors; replacement of substantial portions of the glazing systems if a major portion of the project; moderate projects may include minor changes to the exterior envelope or structural systems
Major	60%	Addition or demolition of many walls; installation of new glazing systems in conjunction with major remodeling; upgrading of structural systems in some portions to received increased loads in limited areas. Significant upgrades to mechanical, electrical or plumbing systems in conjunction with significant refinishing of surfaces.
Full	80%	Demolition of all non structural portions leaving a structural shell; installation of new or substantial replacement of electrical, mechanical systems in conjunction with significant changes in room configuration; significant structural upgrading to meet seismic requirements, or other substantial structural renovation, extensive structural repair.

(1) Calculated valuation for new construction of the area per SMC 22.900D.01.

(2) The extent of alteration includes one or more of the elements in the definition. The floor area affected shall be calculated on the entire areas of the rooms where alterations are proposed. If a project has areas for which it is reasonable to distinguish as being of different categories, it is appropriate to calculate the area separately to develop the DPD value.

## **VI. Building Valuation Data**

### **Background:**

The Fee Subtitle, Chapter 22.900 of the Seattle Municipal Code, prescribes fees for various permits, reviews and inspections. Section 22.900D.010C specifies that the Director shall determine the value of construction for which a permit is issued. It further specifies that building valuation data (BVD) from the International Code Conference (ICC) and other valuation criteria approved by the Director will be used to determine the value of construction.

In January 1 of each year, the Department adopts the most current and updated BVD table. This assists the Department in keeping its fees in line with market changes; through the use of the regionally modified / current BVD, the Department seeks to avoid the need to make large incremental changes in the fee structure that can occur when inflationary adjustments are not taken maintained. Since 1998, it has been the Department's policy to adopt the most recent BVD data on an annual basis to calculate the value of construction used in determining a project's fee. The Development Fee Index of Table D-1 of the Fee Subtitle was developed using an assumed + 9% increase in the national average BVD. The department therefore applies the +9% modifier to the national average when calculating each year's BVD.

The BVD is adopted by separate Director's Rule that references this Director's Rule.

### **Rule**

The following will be used to provide additional guidance in determining the value of construction.

#### **A. General**

The permit fee for new construction and additions, (i.e., new floor area) shall be based on the value as determined by the plans examiner using BVD.

#### **B. Occupancies and Types of Construction**

The BVD is based on occupancy categories and types of construction used in the Seattle Building Code. Valuation for a building will be based on the BVD category the building most resembles. Chapter 3 and 6 of the International Building Code may be used for additional guidance in determining the appropriate occupancy and construction type.

#### **C. Structures not Classified in an Occupancy**

For structures which are not normally classified in an occupancy, the valuation for the occupancy which most closely resembles the proposed construction shall be used.

#### **D. Alterations**

In general, the fee assessed for alterations of existing floor area, retaining walls, towers, foundations of phased permits, etc. will be based on the value stated by the applicant. Refer to Part IV of this rule for additional information.

## **E. Gross Area**

"Gross Area" of a building project means the total area of all floors, measured from the exterior face, outside dimensions of exterior column line of a building, including basements, cellars and balconies, but not including unexcavated areas. Where walls and columns are omitted in the construction of a building, such as an open shed or marquee, or covered decks in multifamily residential or commercial construction, the exterior wall of the open side or sides shall be assumed to be the edge of the roof.

## **F. Structures Accessory to Group R-3**

Structures accessory to Group R-3 buildings, such as carports, decks, piers and floats will be valued as Group U. Fees for uncovered structures and enclosed areas shall be computed using one-half the gross area of the structure times the cost per square foot

## **G. Uncovered Structures and Unenclosed Areas (other than accessory to R-3)**

The fee for uncovered and unenclosed structures such as carports, service station canopies, plazas, piers, docks and platforms, multifamily residential and commercial decks, commercial floats, roof parking areas, and similar uncovered usable structures shall be computed using one-half the gross area of the structure times the cost per square foot of the appropriate occupancy and construction category.

## **H. Building of More than three Stories of Types IA and IB construction**

The building valuation will be modified for buildings of Types IA and IB construction exceeding three stories of the following occupancies:

- 1) Groups R-1 and R-2
- 2) Banks
- 3) Hospitals
- 4) Institutional Nursing Homes
- 5) Medical Offices
- 6) Offices
- 7) Public Buildings
- 8) Public garages, both enclosed and open
- 9) Group M

For those occupancies, the total building valuation determined by the BVD per-square-foot values shall be modified by a factor CM, where:

$$CM = CB [1 + .005 (S-3)]$$

CB = Total value of the building based upon floor area and costs per square foot as specified in the Table.

S = Number of levels in the building from the top of the foundation.

CM = Modified value based on 0.5% increase above.



## **I. Sprinklers and Mechanical Systems**

Mechanical permits will be charged the permit fees and plan review fees of 100% of the DFI according to Table D-2 of the Fee Subtitle. Where the review of mechanical or sprinkler systems are included in the review of the building permit application, no additional fees will be charged.

## **VII. Accessory Mechanical Spaces**

### Rule

New floor area housing mechanical spaces shall be assumed to have the same dollar value per square foot as the occupancy to which they are accessory. If the mechanical space is accessory to multiple occupancies, the valuation of the largest occupancy as determined by floor area shall be used.

## **VIII. Establishing Use for the Record**

When a use is to be for the record, application materials are sometimes routed to be checked for compliance with the appropriate edition of the Seattle Building code (SBC)

In Section 22.900D.010, Table D-2 established the development fee for establishing use for the record. This rule clarifies how the amount of the fee will be determined.

Note that a Land Use fee will be charged according to Section 22.900C.010, Table C-1 in addition to the development fee.

### Rule

When an application for establishment of use that does not include construction work is routed for Building Code Review, the permit fee is one and one-half times the base fee, and no plan review fee will be charged.

When the Routed application does include construction work, the applicant will be charged a permit fee of 100% of the DFI plus a plan review fee of 100% of the DFI. Even if the construction is of the type and extent that is typically approved Subject To Field Inspection (STFI), the applicant will be charged a fee based on the value of the construction. This plan review fee is charged to cover the additional coordination and review associated with processing this permit. The advantage to the applicant of using STFI process is a reduction in the complexity of required plans.

Regardless of the outcome of Building Code review, the Land Use fee will be charged.

## **IX. Land Use Fees**

### **A. Zoning-only Review**

The fee for zoning review is part of the hourly Land Use fee. This rule clarifies the fee that is charged for review of permits that required only zoning review.

### Rule

Permits which require only zoning review shall be charge a minimum land use review fee of \$500.00, and shall be charged \$250.00 per hour for review hours in excess of two.

#### **B. Master Use Permit - Fee for Review Prior to Application**

The Fee Subtitle authorizes the Department to charge for land use review performed prior to the time the permit application is completed. This rule clarifies the time and amount of payment of fees for review conducted prior to application.

Section 22.900C.010E states "In addition to fees set in Table C-1, review time required on a project prior to, or in lieu of, an application will be charge hourly as determined by the Director."

Pre-application conferences will be charged a one hour land use minimum at the time of the conference. Additional pre-application review time will be charged at the land use hourly rate if the total time exceeds 1 hour.

The design review process and the Department review time for applications undergoing design review begin prior to the time the application is submitted. Review for other types of projects may also occur prior to MUP application, most often through not always, for those projects for which a pre-application conference is held. The hourly fees will include, among other things, time spent after a pre-application conference, and time spent reviewing incomplete permit application materials.

### Rule

At the time of complete Master Use Permit application, the applicant shall pay accrued hourly fees for land use review in excess of those including the minimum land use fee.

The amount due at application is the minimum land use review fee, minus amounts paid prior to application, plus hourly fees for review conducted prior to application.

#### **C. Transition from A, B or C MUP Types to One MUP Type**

In previous versions of the Permit Fee Subtitle, MUP applications were divided into three groupings, A, B and C. During 2005, MUP applications fee types were standardized into a single fee structure with exceptions.

### Rule

A single minimum fee of \$2500 will be charged for MUP applications and will cover up to 10 hours of review. All review hours worked beyond the minimum will be charged an hourly rate of \$250 an hour.

Certain Administrative Conditional Use and Variance fee exceptions are called out in table C-1. For projects classified as Low-income housing (per the Land Use Code), see table C-1 for additional hours authorized under the noted minimum.

#### **D. Public Notice**

Table C-1, Land Use Fees, Item # 29 calls out the price for various types of notice. These fees, prior to 2005 were previously included in the land use minimum and are now being called out separately to recover cost. This rule clarifies when the notice will be charged and collected.

The Fee for construction and installation of an Environmental Review Sign by the City approved vendor (table C-1 # 19) is charged separately from the notice called out in table C-1 # 29.

##### Rule

Public notice fees are assessed for each instance of each type of notice (i.e., Land Use Information Bulletin, Posting of large sign or placards, etc.) and must be paid prior to notice being performed. At application, notice fees, including notice of application and decision, will be collected as shown in the table below. Additional notices (i.e. re-notice) will be charged for each instance and each type.

Fees collected for notice which does not occur will be eligible for refund or credited to any outstanding bill prior to permit issuance.



## **E. Shoreline Exemption Review Fee**

The minimum fee to recover the costs for review of development plans to determine that a proposal is exempt from the requirement for a shoreline substantial development permit is a minimum \$155.

### Rule

The minimum fee must be paid at the time that the exemption request application is filed. Reviews requiring more than one hour of review will have all additional hours billed at the hourly rate of \$155 per hour. All additional hourly fees must be paid in full before an exemption determination is released.

## **F. Early Design Guidance**

### Rule

Early Design Guidance review is considered a miscellaneous review and will have a minimum fee of \$1500 that covers 6 hours of review.

## **X. Noise Variances**

The Fee for technical or economic noise variance as set forth in 22.900F.020 and Table F-2 includes an hourly project review fee. This rule clarifies what costs are covered by the hourly fee.

### Rule

The Hourly project review fee includes, but is not limited to, time spent by the Department staff reviewing application materials, attending public meetings, and monitoring compliance with the terms and conditions of the variance if one is granted.

## **XI. Peer Review**

Section 22.900B.020 gives the Director authority to recover costs of miscellaneous services. This rule established the amounts that will be charged for Peer Review.

### Rule

When the Director determines the Department needs additional plan review expertise to ensure public safety in development project with unusual design features, the applicant shall reimburse the Department for direct costs incurred in hiring and paying the necessary consultants.

For peer review contracts whose costs are estimated to exceed \$5,000, the Department may require a deposit of up to twenty-five percent (25%) of the estimated contract amount, up to a maximum of \$15,000. The deposit must be received by the Department before the Department will authorize the peer reviewer to commence work. For the balance of the contract, the Department will bill the applicant as invoices are received from the peer reviewer(s). The deposit will be applied to the costs of the contracts at the end of the peer review process.

## **XII. Site Review**

Table D-SR of Section 22.900D.145 provides for fees for post-issuance site inspection and other review at DPD hourly rate times the minimum number of inspections. It also provides that the minimum number of inspection will be determined according to a Director's Rule.

### Rule

The Fee for post-issuance site inspection and other review provided for in Table D-SR shall be determined according to the table below.

<b>Post-Issuance Site Inspection and Other Review<sup>1</sup></b>	<b>Minimum number of inspections (in hours of inspection time)</b>	<b>Minimum hours of additional review</b>	<b>Total hours</b>
1. Sites where temporary erosion control is required	1	0	1
2. Sites in Environmentally Critical Areas, other than liquefaction-prone and abandoned landfills, with special inspection	3	1	4
3. Sites with excavation deeper than 12 feet with shoring	3	2	5

<sup>1</sup> This table sets forth minimum numbers of hours. Time in addition to the minimums may be charged at \$155.00 per hour.

## **XIII. Standard Plans and Factory-Built Structures**

Items 7 and 8 of Table D-2 specify the fees for standard plans and for factory-built structures. This rule clarifies how those fees are to be applied. The rule applies to (1) applications for approval of a factory-built structure and (2) applications for approval of a standard plan that includes a factory-built structure.

### Rule

#### **A. Factory-built Structures**

The permit review fee for factory-built structures is calculate by the number o modules up to a maximum of 10 x \$155 and a plan review fee of \$155. In addition, a valuation base permit and plan review fee calculated according to item 1 of Table D-2 shall be charged for the foundation and accessory structures.

For HUD-approved factory-built housing (housing bearing a "Red Seal"), the fee for the foundation shall not be charged.

#### **B. Standard Plans that Include a Factory-built Structure**

- 1) The fee for establishment of a standard plan that includes a factory-built structure shall be calculated according to the following:
  - a) A permit fee of 100% of the DFI for the standard plan (Table D-2, item 7a), plus \$155.00 for the factory-built structure (Table D-2, item 8). The DFI shall be based on the value of the foundation and accessory structures only,  
*Plus*
  - b) A plan review fee of 100% of the DFI for the standard plan (Table D-2 item 7a). The DFI shall be based on the value of the foundation and accessory structures only. No plan review fee for the factory-built structure will be charged for the application to establish the standard plan.
- 2) The fee for a permit to build according to the standard plan shall be calculated according to the following:
  - a) A permit fee of 100% of the DFI for the standard plan (Table D-2 item 7c) plus \$155 for the factory-built structure (table D-2 item 8). The DFI shall be based on the value of the foundation and accessory structures only,  
*Plus*
  - b) A plan review fee of 40% of the DFI for the standard plan (Table D-2 item 7c) plus \$155 for the factory-built structure (Table D-2 item 8). The DFI shall be based on the value of the foundation and accessory structures only.
- 3) For standard plans that include HUD-approved factory-built housing (housing bearing a "Red Seal"), the fee for the foundation shall not be charged.

#### **XIV. Temporary Occupancies**

The Fee Ordinance has a fee for review of permits for temporary structures and temporary uses, but it does not have a fee for review of permit for temporary occupancies. This rule establishes such a fee.

##### Rule

The fee for permits for temporary occupancies is two times the Base Fee plus \$155 per hour for review time in excess of two hours. SMC 22.900B.010 sets the Base fee at \$155.00 per hour, in that a temporary occupancy is similar to a temporary use as outlined in Table D-2 # 15 and # 16.

#### **XV. Address Changes**

According to 22.900B.020, the fee to correct the address on an application or an issued permit is \$40.00. This Rule establishes the fee for address changes unrelated to an application for a permit or for an issued permit.

##### Rule

The fee for address changes unrelated to an application for a permit or for an issued permit, is 1 x Base Fee for each property affected.